

**RULES  
OF  
TENNESSEE STATE OIL AND GAS BOARD  
STATEWIDE ORDER NO. 2  
PRODUCTION**

**CHAPTER 1040-4-3  
REQUIREMENTS FOR REPORTING THE  
VOLUME AND DISPOSITION OF OIL AND GAS  
PRODUCED**

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**1040-4-3-.01 TIME REPORTS.** The length of time reports and other pertinent data, covered by this section, shall be kept on file by the operators and available for inspection by the Supervisor or members of his staff, for not less than a period of three (3) years.

*Authority: T.C.A. §§60-104. Administrative History: Original rule was certified May 24, 1974.*

**1040-4-3-.02 MONTH DEFINED.** A “month” and “calendar month” shall mean the interval of time from 7:00 a.m. on the first day of any month of the calendar to 7:00 a.m. of the first day of the next succeeding month of the calendar.

*Authority: T.C.A. §§60-014. Administrative History: Original rule was certified May 24, 1974.*

**1040-4-3-.03 REPEALED.**

*Authority: T.C.A. §§60-104. Administrative History: Original rule was certified May 24, 1974. Repeal filed July 25, 2005; effective October 8, 2005.*

**1040-4-3-.04 REPEALED.**

*Authority: T.C.A. §§60-104. Administrative History: Original rule was certified May, 24, 1974. Repeal filed July 25, 2005; effective October 8, 2005.*

**1040-4-3-.05 REPORTING-PRODUCERS.** Each producer of oil and such producer of condensate from a gas well, where produced in liquid form at the wellhead by ordinary production methods or as Calculated Theoretical Condensate, defined as the amount of condensate (allocated back to lease) that normally would be separated by conventional methods from natural gas well volumes flowing full stream directly to a plant without any condensate separation having been made at lease or a plant, shall furnish for each year an Annual Well Report pursuant to 1040-2-10-.06 setting forth complete information and data indicated by such reports respecting oil produced from every lease operated by said producer and respecting condensate produced from gas wells at the wellhead in liquid form by ordinary production methods from each lease operated by said producer.

*Authority: T.C.A. §§60-104. Administrative History: Original rule was certified May 24, 1974. Repeal and new rule filed July 25, 2005; effective October 8, 2005.*

**1040-4-3-.06 MONTHLY REPORTING-TRANSPORTERS.** Each transporter of oil and condensate shall furnish for such calendar month a Transporter's and Storer's Monthly Report for Crude Oil and/or Condensate (Form R-MP-2) containing complete information and data indicated by such form including the quantity of oil removed from each lease and permit numbers of producing wells on each lease.

*Authority:* T.C.A. §§60-104. *Administrative History:* Original rule was certified May 24, 1974. Repeal and new rule filed July 25, 2005; effective October 8, 2005.

**1040-4-3-.07 REPEALED.**

*Authority:* T.C.A. §§60-104. *Administrative History:* Original rule was certified May 24, 1974. Repeal filed July 25, 2005; effective October 8, 2005.

**1040-4-3-.08 REPORTING FILING** The transporter's and storer's reports for each month shall be prepared and filed according to instructions on the form, on or before the twenty-fifth (25th) day of the next succeeding month.

*Authority:* T.C.A. §§60-104. *Administrative History:* Original rule was certified May 24, 1974.

**1040-4-3-.09 COMPUTING METHOD.** All quantities included in the reports provided for in this order shall be reported in barrels computed from one hundred percent (100%) tank tables and based upon actual physical gauges.

*Authority:* T.C.A. §§60-104. *Administrative History:* Original rule was certified May 24, 1974.

**1040-4-3-.10 REPORT VERIFICATION.** All reports provided for in this order shall be verified by affidavit in the form or forms indicated; any reports not so verified shall not be taken as filed in compliance with this order.

*Authority:* T.C.A. §§60-104. *Administrative History:* Original rule was certified May 24, 1974.

**1040-4-3-.11 MONTHLY REPORTS-GAS.** All gas produced within the State of Tennessee, excepting gas vented from stripper wells, shall be reported on the Annual Well Report and Monthly Gatherer's and/or Transporters Natural Gas Report (Form R-MP-5). Every producer shall complete the Annual Well Report pursuant to 1040-2-10-.06. Every transporter shall complete Form R-MP-5. The transporter thus required to report, shall execute under oath and file in the manner hereafter directed on or before the last day of each month, Form R-MP-5, setting forth fully the data and information indicated by such form, which shall be completed as to data covering the calendar month next preceding the date of filing.

*Authority:* T.C.A. §§60-104. *Administrative History:* Original rule was certified May 24, 1974. Repeal and new rule filed July 25, 2005; effective October 8, 2005.

**1040-4-3-.12 MONTHLY REPORTS-PLANTS.** Each operator of a gasoline plant, cycling plant, or any other plant at which gasoline, butane, propane, condensate, kerosene, oil or other liquid products are extracted from natural gas, shall furnish for each calendar month a Monthly Gasoline and/or Cycling Plant Report (Form R-MP-6) containing the information indicated by such form respecting natural gas and products involved in the operation of each plant during each month. Such report for each month shall be prepared and filed according to instructions on the form on or before the last day of each month.

*Authority:* T.C.A. §§60-104. *Administrative History:* Original rule was certified May 24, 1974.

**1040-4-3-.13 REPORTS-GAS GATHERERS.** Gas gatherers shall report the amounts of gas handled and disposed of on Monthly Producers Natural Gas Report (Form R-MP-4). The gas which he has produced in the field shall be reported on Form R-MP-4, under the section of the report entitled "Production." The gas gathered in the same field along with gas which he has gathered in nearby fields and transported to that field shall be reported on the same form, under the section entitled "Acquisitions." He shall indicate in this section the company from whom the gas was received, the field from which this gas was produced, and the amount of gas received. In the event the

(Rule 1040-4-3-.13, continued)

gatherer has produced no gas in the field from which he is gathering, then he shall indicate in the Production Section of Form R-MP-4 that he has no gas production. His acquisition in that field shall be listed in the Acquisitions section.

***Authority:*** T.C.A. §§60-1-202. ***Administrative History:*** Original rule was certified May 24, 1974.